

RAIFFEISEN

Raiffeisen Schweiz Investor Presentation

Investor Relations | 11 March 2026



Disclaimer

This document has been prepared by **Raiffeisen Schweiz Genossenschaft**¹, hereinafter referred to as **Raiffeisen Schweiz**, with the greatest of care and to the best of its knowledge and belief. For the purposes of this notice, «document» means this document, any oral presentation, any question-and-answer session and any written or oral material discussed or distributed during or made available to participants in a roadshow presentation meeting.

This document is not the result of a financial analysis and is therefore not subject to the «Directive on Ensuring the Independence of Financial Analysis» (Swiss Bankers Association, SBA). It is for information purposes only, intended for the sole use of the recipient and does not constitute a recommendation, an offer or a solicitation of an offer to buy, sell, lend or borrow, nor investment advice regarding, financial instruments or to participate in any particular trading strategy. This document does not purport to contain all of the information that you may wish to consider. This document is not to be relied upon as such or used in substitution for the exercise of independent judgment.

Raiffeisen Schweiz gives no guarantee as to the content and completeness of the document and disclaims all liability for any loss arising from the use of this information. The opinions expressed in this document are those of Raiffeisen Schweiz at the time of writing and are subject to change without notice. This document contains forward-looking statements that reflect the beliefs, assumptions and expectations of Raiffeisen Schweiz at the date of this document. Consequently, future results may differ from the forward-looking statements. In particular, the terms «Outlook», «Goal», and «Commitment» are not intended to be viewed as targets or projections, nor are they considered to be Key Performance Indicators. All such outlooks, goals, and commitments, as well as any other forward-looking statements described as targets or projections, are subject to a large number of inherent risks, assumptions and uncertainties, many of which are completely outside of our control. These risks, assumptions and uncertainties include, but are not limited to, general market conditions, market volatility, increased inflation, interest rate volatility and levels, global and regional economic conditions, political uncertainty, changes in tax policies, scientific or technological developments, evolving sustainability strategies, regulatory changes, changes in levels of client activity as a result of any of the foregoing and other factors. Accordingly, these statements, which speak only as of the date made, are not guarantees of future performance and should not be relied on for any purpose. We do not intend to update these outlooks, goals, commitments, targets and projections or any other forward-looking statements. For these reasons, we caution you not to place undue reliance upon any forward-looking statements. Unless otherwise noted, all such outlooks, goals, commitments, targets and projections are for the full year indicated or as of the end of the year indicated, as applicable.

Certain material in this document has been prepared by Raiffeisen Schweiz on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. Raiffeisen Schweiz has not sought to independently verify information obtained from public and third-party sources and makes no representations or warranties as to accuracy, completeness, reasonableness or reliability of such information.

Please note published half-year figures are not audited by the statutory auditor in any case. Year-end figures are not audited by the statutory auditor prior to the publication of the annual report.

This document does not qualify as a prospectus, key information document or other offering document in any jurisdiction. It may not be reproduced and/or distributed in whole or in part without the written permission of Raiffeisen Schweiz. It is expressly not intended for persons whose nationality or place of residence prohibits access to such information under applicable laws and regulations. In addition, it may only be transmitted to those addressees to whom this document can be made accessible on the basis of applicable legal and regulatory requirements.

This document may contain confidential information. It is intended for the person or entity which it is addressed to, only. This document or extracts thereof may only be passed on with the express written consent of Raiffeisen Schweiz.

Copyright © 2026 Raiffeisen Schweiz

¹ Raiffeisen Schweiz has no holdings or affiliations with other organisations outside of Switzerland named Raiffeisen, except for Raiffeisen Switzerland B.V., Amsterdam (NL), a wholly owned subsidiary of Raiffeisen Schweiz Genossenschaft, which issues structured products for the Raiffeisen Group.

RAIFFEISEN FY 2025 Highlights | Strong volume growth across all business areas underpinned by continued excellent capitalisation and a resilient balance sheet

1.1bn
group profit



Further expanded market share in mortgage business

231 bn

Mortgage loans (+4.6%)



Distinctive growth in comission & fee income

752 m

Comission & fee income (+10%)



Continued exceptional capital strength

20.9 %

CET1 Capital Ratio (+1.2pp)



Outstanding asset quality

0.29 %

Non-Performing-Loan ratio

Figures as of 31 December 2025, in CHF except where indicated

AGENDA

- 1 Group Overview & Strategy Update**
- 2 Financial Update FY 2025**
- 3 Capital, Funding & Liquidity**
- 4 Asset Quality & Risk Exposure**
- 5 Swiss Regulatory Framework**

Appendix: Macro Snapshot Switzerland

RAIFFEISEN at a Glance | Second largest banking group in Switzerland with a unique company profile

Nationally active – locally anchored (D-SIB since 2014)



18.4% Mortgage lending
Market share

15.2% Customer deposits
Market share

>90% Retention of earnings year on year

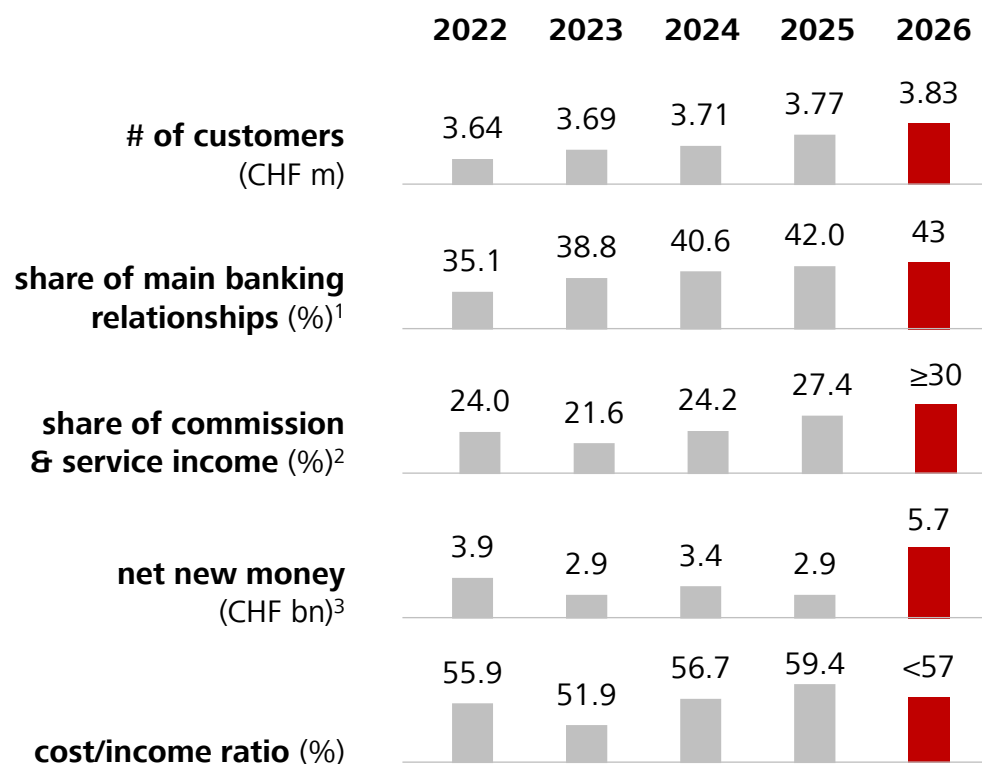


3.77 million customers / 2.1 million cooperative members

¹ Issuance Rating, Senior Unsecured

Strategic Ambition & Initiatives | Strategic development is progressing despite challenging environment

Strategic KPIs (development and target)



1 Percentage of private clients doing most of their bank transactions with Raiffeisen (based on product use) / 2 Commission & services income (including trading) as a percentage of operating income / 3 i.e. investment and pension products

Ongoing key initiatives

| Diversifying the business model

- Insourcing of «Futura» fund management (2027)

| Empowering our investment advisory services

- Further investments in investment advisory solution (2027)

| Enhancing digital customer access

- Continued development of e-banking based on customer needs (2028)

| Boosting efficiency

- Enhancing the semi-automated, end-to-end mortgage origination (2027)

RAIFFEISEN Financial Ratings | Attractive credit ratings in the high investment grade range

Credit Ratings	S&P Global	FitchRatings
Senior Unsecured	AA-	AA-
Bail-in ¹	A	A+
Additional Tier 1	BBB	BBB
Long-Term	AA-	A+
Short-Term	A-1+	F1
Outlook	Stable	Stable

- **Fitch once again affirmed** Raiffeisen's ratings with stable outlook in February 2026, emphasizing its **strong position** in the **Swiss retail and corporate client business** and recognizing Raiffeisen's **excellent capitalisation and robust risk profile**.
- **Standard & Poor's (S&P) again re-confirmed** Raiffeisen's **very good ratings with stable outlook** in January 2026, highlighting the remarkable capitalisation and the very good market position.
- **The ratings put Raiffeisen among the highest rated banks in the world.**

¹ Comparable to Senior Non-Preferred (SNP) as an asset class

Sustainability & ESG | A sustainable and cooperative bank with attractive ESG-ratings providing sustainable products and service offerings

Sustainable Cooperative

Product and service offering supporting a sustainable development – selected examples:

Raiffeisen Futura-Fonds
~87% of total Fonds volume

Raiffeisen Gold Bars
«Responsibly Sourced & Traceable» approach since 2021

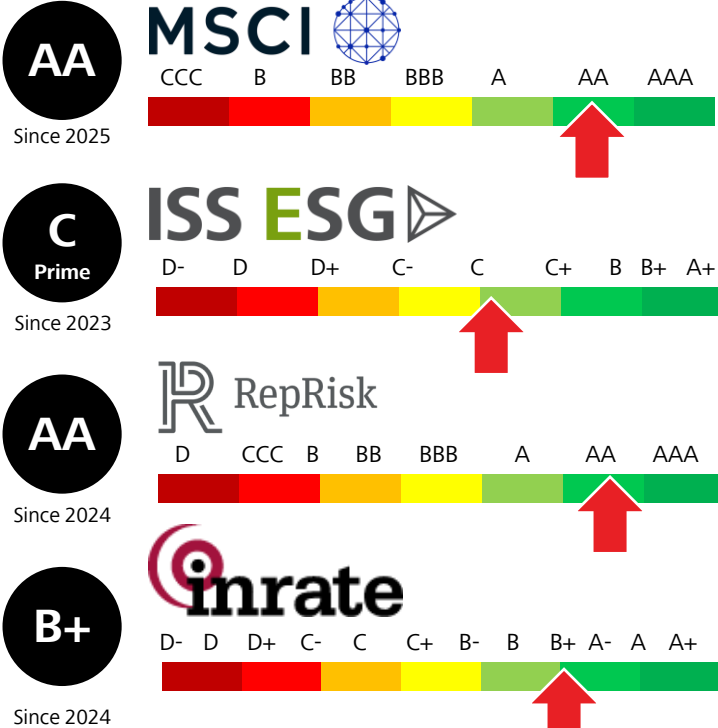
Advice on Sustainable Buildings
~9'000 advices for mortgage clients (including self-service offering)

Green Bond
CHF 250m issued in June 2025

Memberships & Standards



ESG-Ratings



Sustainability is a corporate value and an integral part of Raiffeisen’s strategy with a clear commitment to economic, ecological and social sustainability.

AGENDA

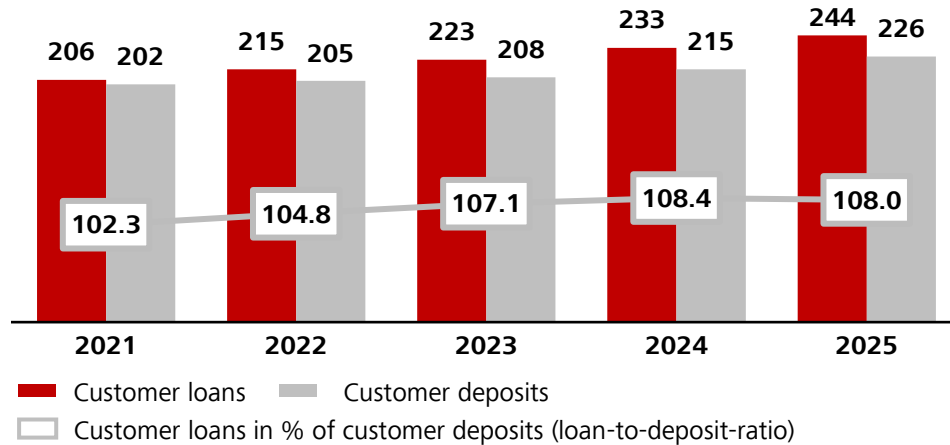
- 1 Group Overview & Strategy Update
- 2 Financial Update FY 2025**
- 3 Capital, Funding & Liquidity
- 4 Asset Quality & Risk Exposure
- 5 Swiss Regulatory Framework

Appendix: Macro Snapshot Switzerland

Business Volumes | Significant growth in customer loans and customer deposits – market position in the Swiss mortgage business further strengthened

Loans and Deposits

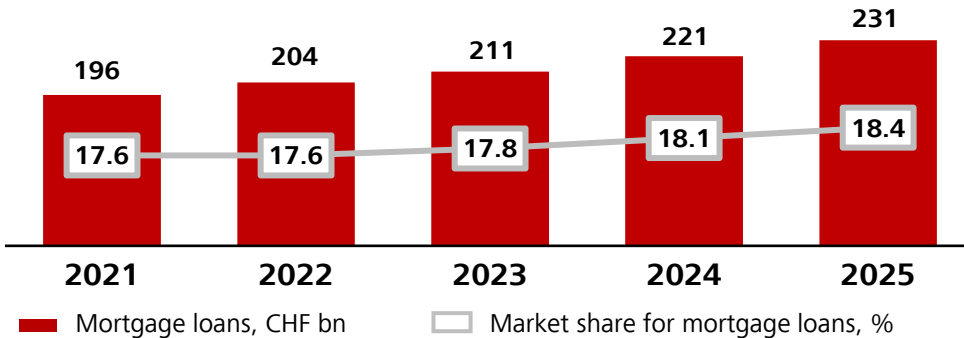
in CHF bn



- **Continued growth in 2025 – exceptional year-on-year increase in customer deposits of 5.1%**
- **Market position in the Swiss mortgage business further strengthened** with a strong 4.6% growth rate year-on-year (market growth at 2.9%)
- **Stable loan-to-deposit ratio at ~108%**, reflecting strong self-funded growth

Mortgage Loans

in CHF bn



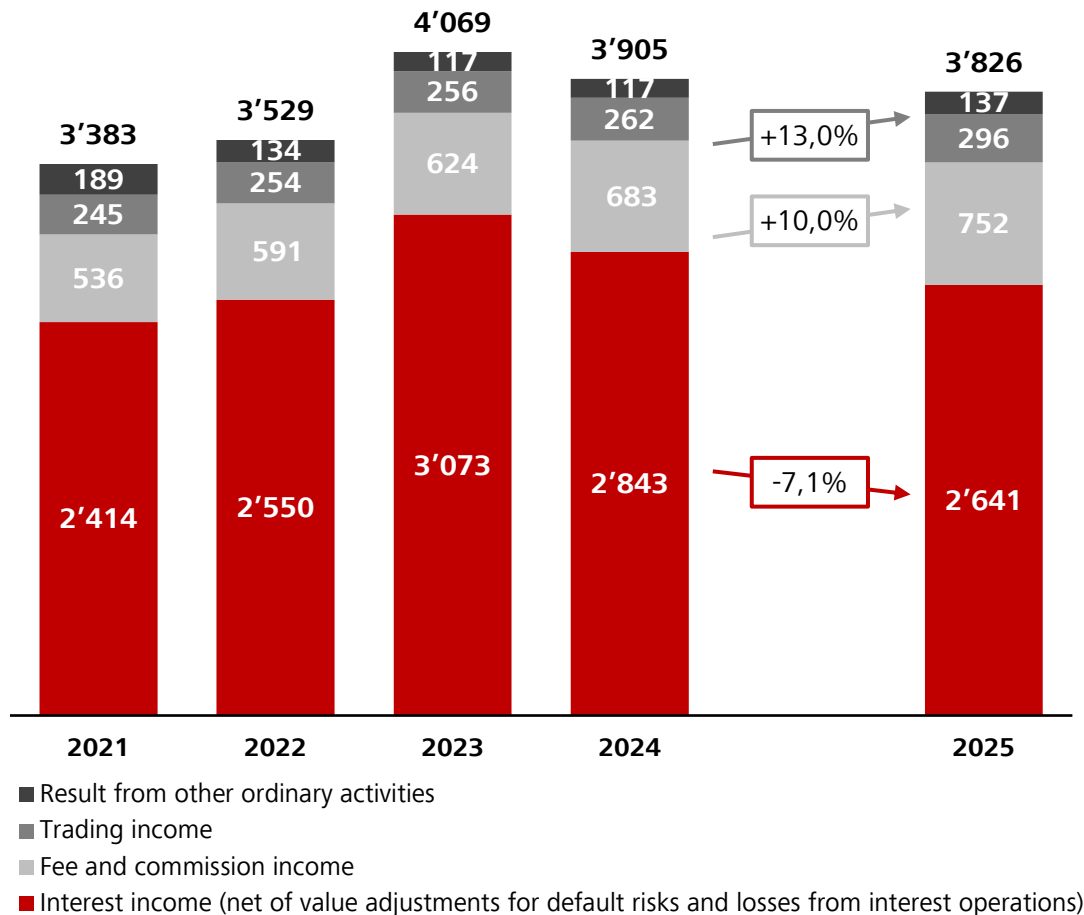
323 bn (+5,7% YoY)

Balance Sheet

Operating Income | Operating income slightly down driven by expected decline in interest income, partly offset by increase in fee & commission and trading income

Operating Income

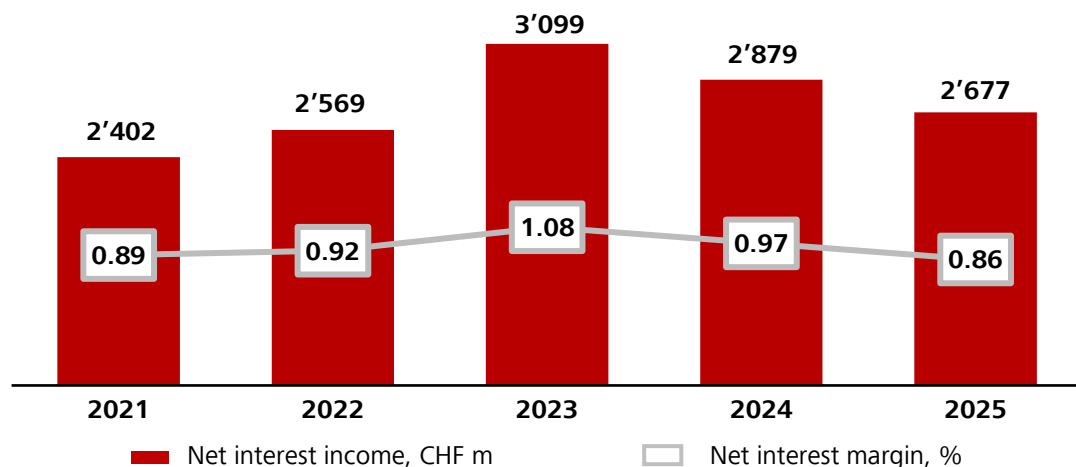
in CHF m



- **Interest income** remains **key source of income** accounting for 70% of the operating income
- **Interest income in line with expectations**, though lower compared to last year, due to lower interest rate environment
- **Distinctive growth in fee and commission income** by 10% YoY as well as **pleasant increase of trading income** to almost CHF 300m (+13% YoY)

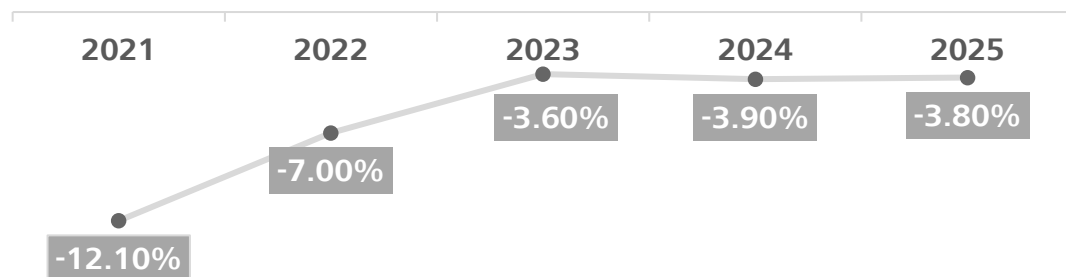
Interest Income | Net Interest Income (NII)¹ remains solid despite challenging interest rate environment in Switzerland in 2025

Net Interest Income¹



Economic Value Sensitivity

Δ EVE² in % Tier 1 Capital

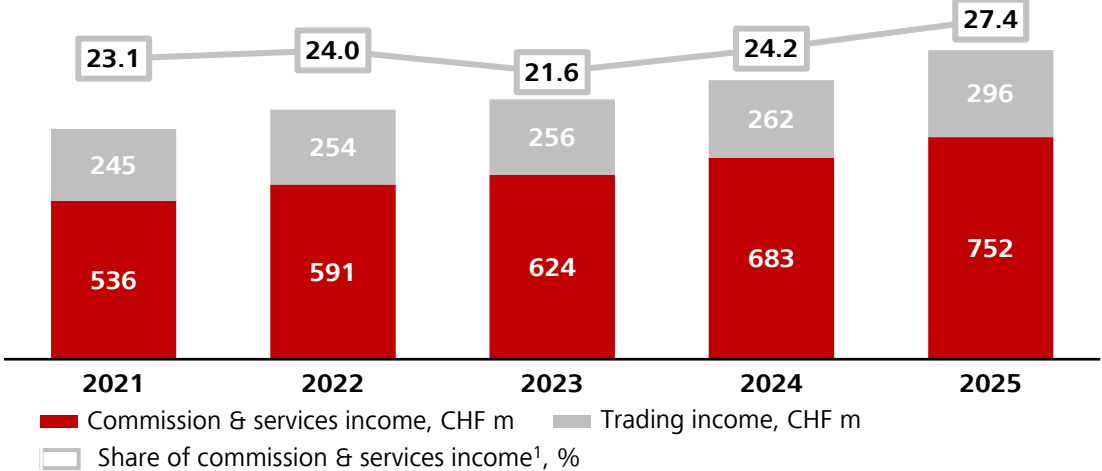


- **Net interest income (NII)¹ still strong in a multi-year comparison**, however lower interest rate environment results in reduction since 2023
- **Net interest margin (NIM) narrowed to 0.86%** due to delayed passing on of deposit interest rate reductions and direct impacts from Saron Flex mortgage
- **Trend on customer tenor preference continued** (average maturity of mortgage book 2.4y vs. 2.7y FY 2024), reducing interest rate risk further

¹ Equivalent to «gross result from interest operations» according to ReIV FINMA / ² Economic Value of Equity, excluding commercial margins/spread components

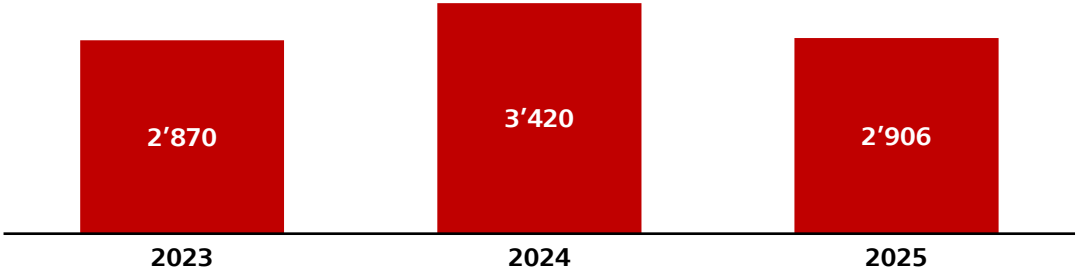
Commission & Services Income and Net New Money | Path of income diversification successfully continued with strong increase in non-interest income

Commission & Services Income



- **Revenue diversification further improved** resulting in a share of commission & services income¹ of 27.4% (+2.8pp YoY)
- **Significant rise in commission business & services income (+10% YoY) and trading income (+13% YoY)**

Net New Money – investment and pension products in CHF m



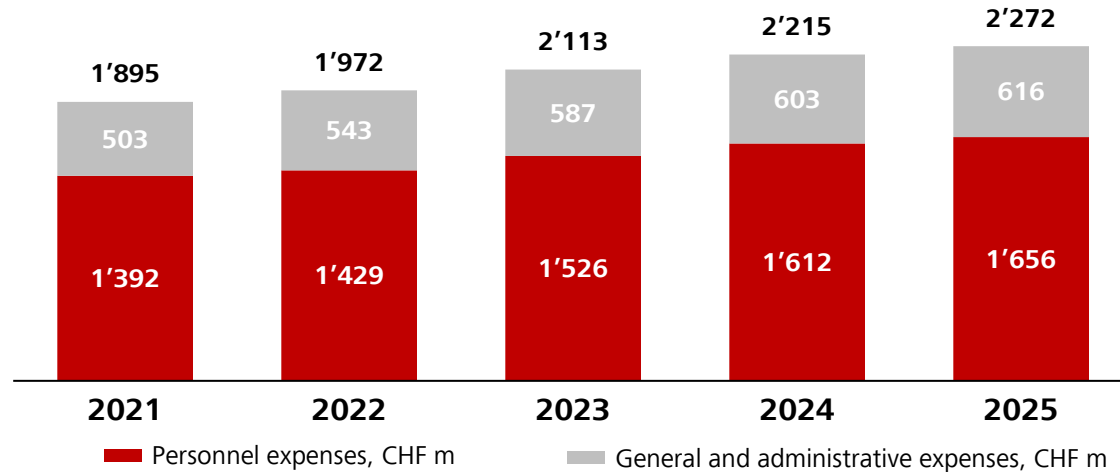
- Increase of **Net New Money** inflows to pension and investment portfolios of CHF 2.9bn (-15%)
- **Securities account volume grew** by CHF 7.8bn (+15%) to **CHF 59.7bn**

¹ Income commission business & services + net trading business income related to operating income

Operating Expenses | Controlled increase in operating expenses with decreasing personnel expansion in a year-on-year comparison

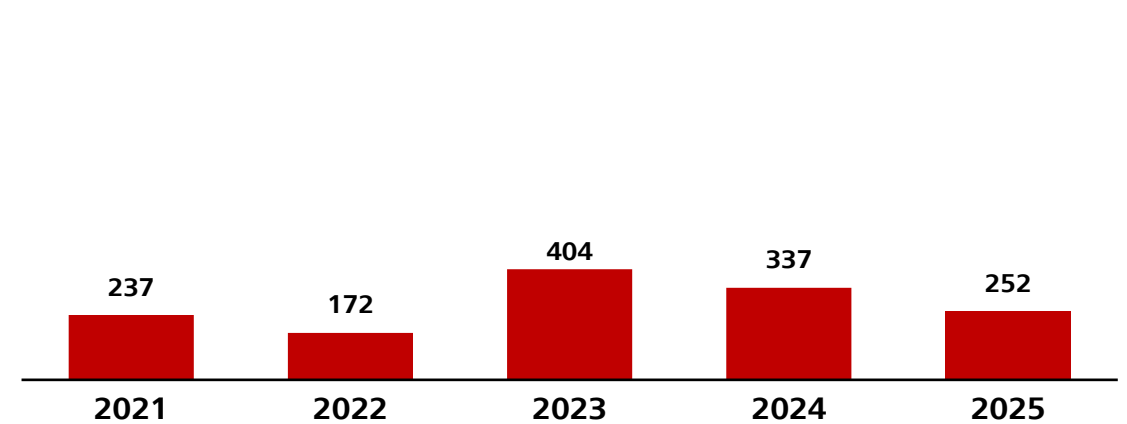
Operating Expenses

CHF m

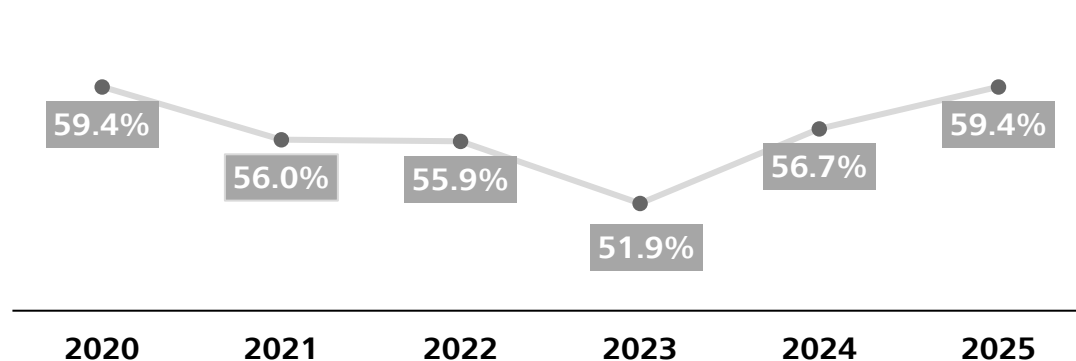


Personnel Increase

FTE



Cost/Income Ratio

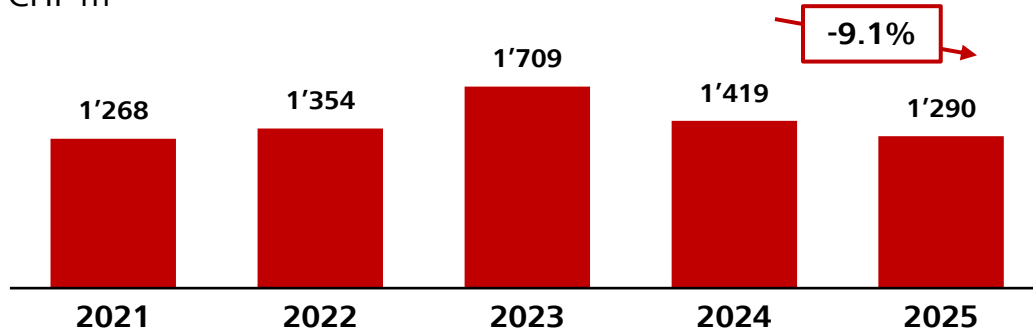


- **Operating expenses up** by CHF 58m (+2.6%) **mainly driven by personnel increase** of CHF 44m (+2.8%) reflecting targeted investments in customer advisory services
- **CIR up** to 59.4% (+2.7pp) **impacted by both lower operating income and higher expenses**

Profit | Operating result and profit remain on a solid level in a multi-year comparison allowing continued internal capital generation

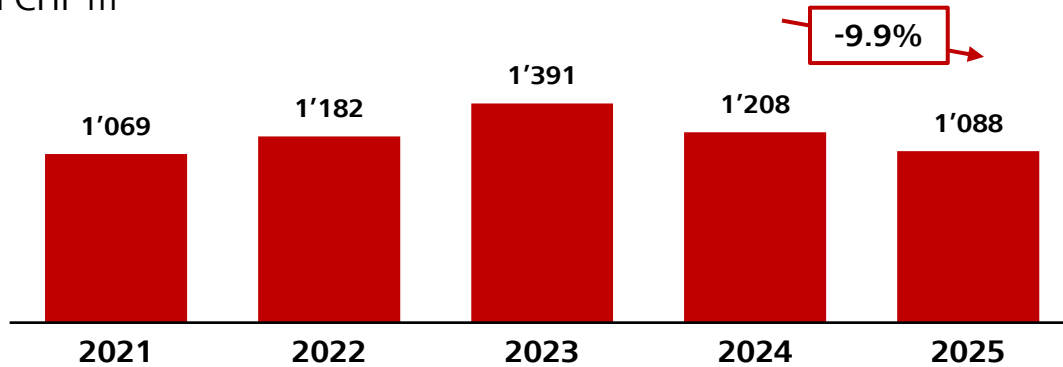
Operating Result

in CHF m



Profit

in CHF m



- Successful year for Raiffeisen Group with a **profit remaining at a solid level in a multi-year comparison**
- Internal capital generation remains very strong with a **CET1 capital ratio at 20.9%** (+1.2pp) supporting the consequent organic growth of Raiffeisen's business model

5.3%

Return on Equity (RoE)¹

20.9%

CET1 Ratio

¹ Calculation based on profit including minority interests and before tax, and changes in reserves for general banking risks

Financial Performance Raiffeisen Group | Year-on-year comparison on key figures

Key Figures ¹	FY 2024	FY 2025	Δ
Net interest income ²	2'879m	2'641m	-7.0%
Net interest margin	0.97%	0.86%	-11bps
Commission & services income	683m	752m	+10.0%
Share of commission & services income ³	24.2%	27.4%	+2.8pp
Operating result	1'419m	1'290m	-9.1%
Profit	1'208m	1'088m	-9.9%
Cost/Income ratio	56.7%	59.4%	+2.7pp
Return on equity ⁴	6.2%	5.3%	-0.9pp
TLAC ratio	26.0%	27.5%	+1.5pp
Going-Concern CET1 ratio	19.7%	20.9%	+1.2pp
TLAC leverage ratio	8.7%	8.6%	-0.1pp
Liquidity coverage ratio	153.3%	162.9%	+9.6pp
Net stable funding ratio	139.3%	130.9%	-8.4pp
RWA	103.5bn	101.8bn	-1.6%
NPL	0.274%	0.292%	+0.018pp

Key Figures ¹	FY 2024	FY 2025	Δ
Balance Sheet	306bn	323bn	+5.7%
Customer Loans	233bn	244bn	+4.6%
Customer Deposits	215bn	226bn	+5.1%
Assets (Depotvolumen)	52bn	60bn	+15.0%

1 Rounded figures / 2 Equivalent to «gross result from interest operations» according to ReIV FINMA / 3 Commission & services income (including trading) as a percentage of operating income / 4 Calculation based on profit including minority interests and before tax, and changes in reserves for general banking risks

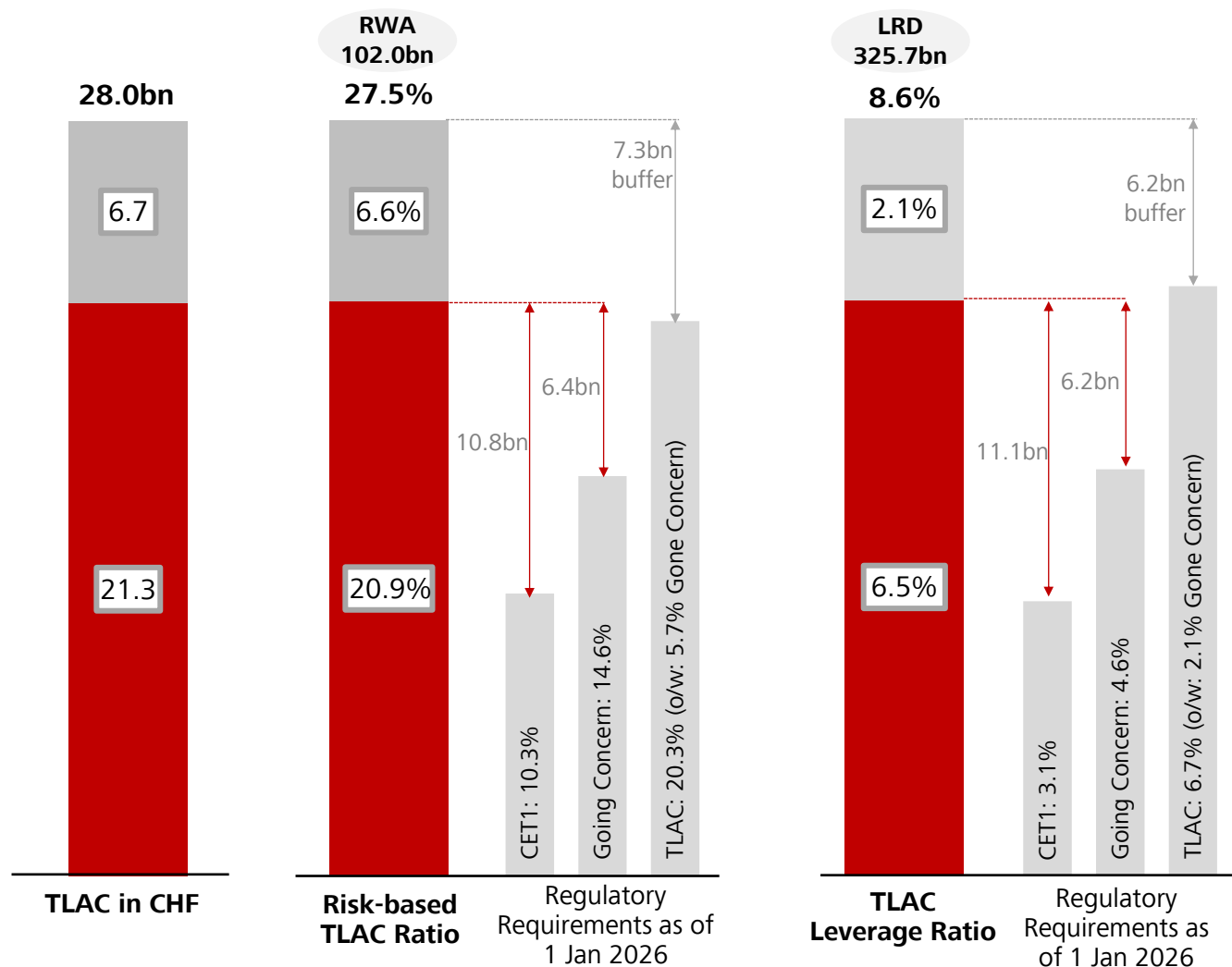
AGENDA

- 1 Group Overview & Strategy Update
- 2 Financial Update FY 2025
- 3 Capital, Funding & Liquidity**
- 4 Asset Quality & Risk Exposure
- 5 Swiss Regulatory Framework

Appendix: Macro Snapshot Switzerland

Capital Structure | Excellent capital situation further strengthened clearly fulfilling the regulatory requirements

Figures as of 31 Dec 2025, except where indicated



- **Equity and loss-absorbing capital (TLAC)** of Raiffeisen Group **expanded to CHF 28bn** (+1.1bn YoY)
- Weighted **TLAC ratio** of **27.5%** (+1.5pp YoY) and unweighted TLAC ratio of 8.6% (-0.1pp YoY)
- Regulatory requirements as of 1 January 2026 fulfilled with comfortable buffer

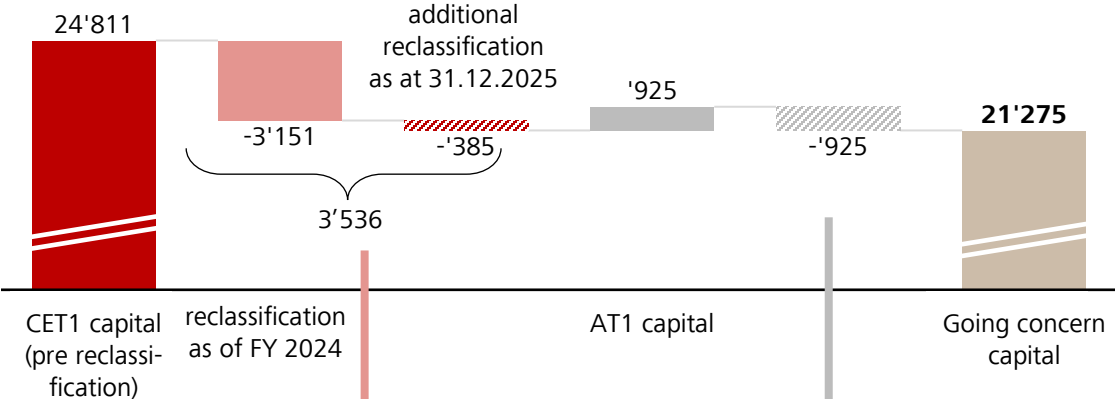
■ Eligible capital (going concern, all held as CET1 capital)
■ Eligible loss absorbing capacity (gone concern)

LRD = Leverage Ratio Denominator

Capital Structure | High-quality CET1 capital of CHF 24.8bn composed of cooperative capital and retained earnings

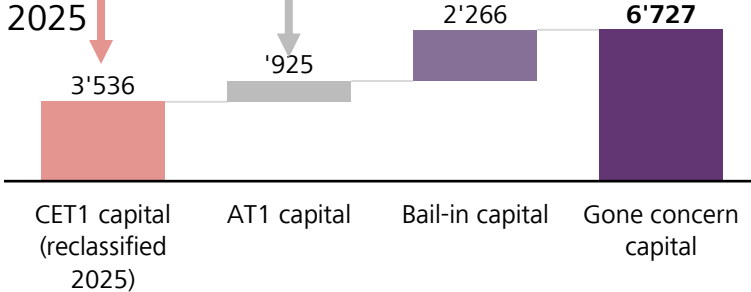
Going concern capital

CHF m as of 31 December 2025



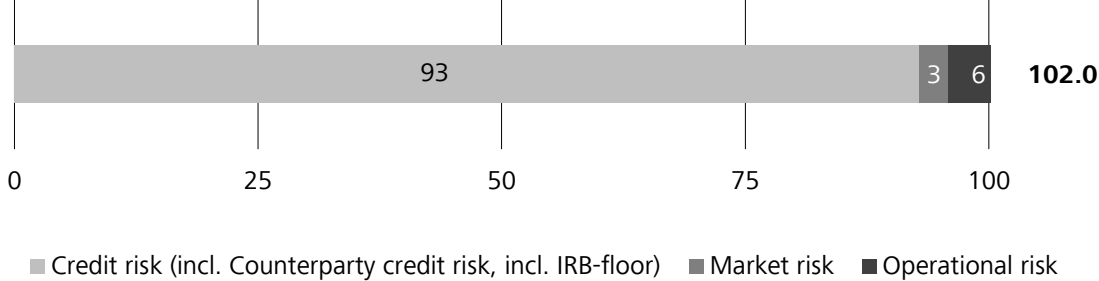
Gone concern capital

CHF m as of 31 December 2025



RWA Overview

CHF bn as of 31 December 2025



- Any going concern-eligible capital above the minimum requirement can be counted toward gone concern, subject to **reclassification**
- **“Basel III Final” capital adequacy** requirements came into force on 1 January 2025 **with a positive effect** on the risk-weighted analysis **for Raiffeisen Group**

Strength of Capitalisation | One of Europe's best capitalised banks with a Top 3 RAC Ratio¹

S&P Global RAC-Ratio

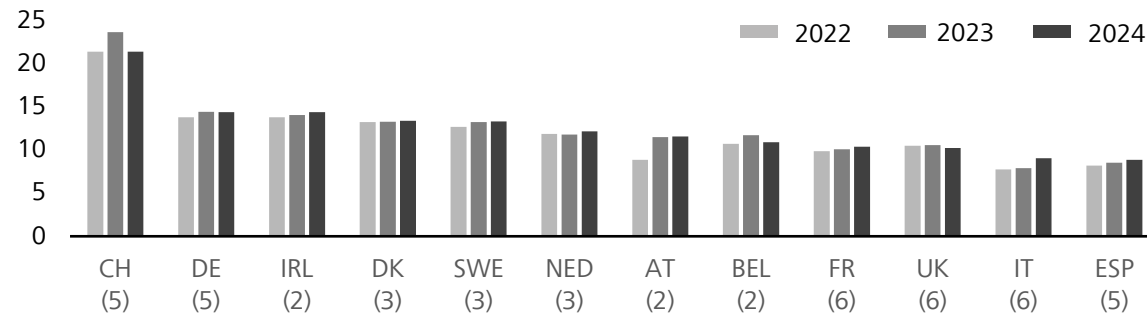
YE 2024 in %, before diversification, against world's top 200 rated banks



- **S&P RAC-Ratio¹ of 21.84% puts Raiffeisen among Europe's strongest banks by regulatory tier 1 capital** (YE 2023: 21.84% / YE 2022: 19.3%)
- Global average RAC ratio: 10.33% (YE 2024) compared to 12.28% for European banks
- Raiffeisen's RAC ratio forecast:
 - 2025: 22.24 – 22.74%
 - 2026: 22.78 – 23.28%

Banks' average RAC ratio by country

YE 2024 in %, (number of banks per country)

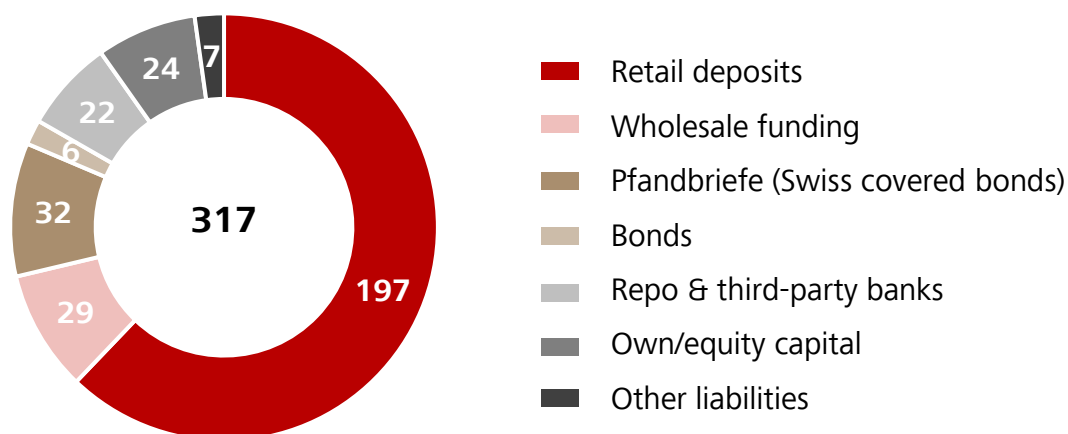


¹ RAC Ratio: Standardised RWA in relation to Regulatory Capital / ² Global average RAC Ratio YE 2024
Source: Standard & Poor's, Top 200 Rated Bank's Capital Ratios: In A Consolidating Phase (01 Oct 2025)

Funding Structure | Stable, customer deposit-funded business model

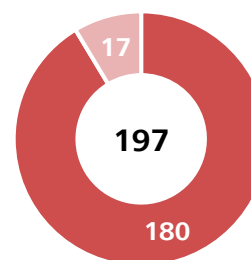
Funding Structure

CHF bn as of 31 December 2025



Split retail deposits¹

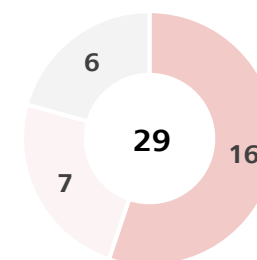
CHF bn as of 31 December 2025



■ Retail customers
■ Small businesses

Split wholesale funding

CHF bn as of 31 December 2025



■ Non-financial companies
■ Public sector & institutions
■ Other financial institutions & legal entities

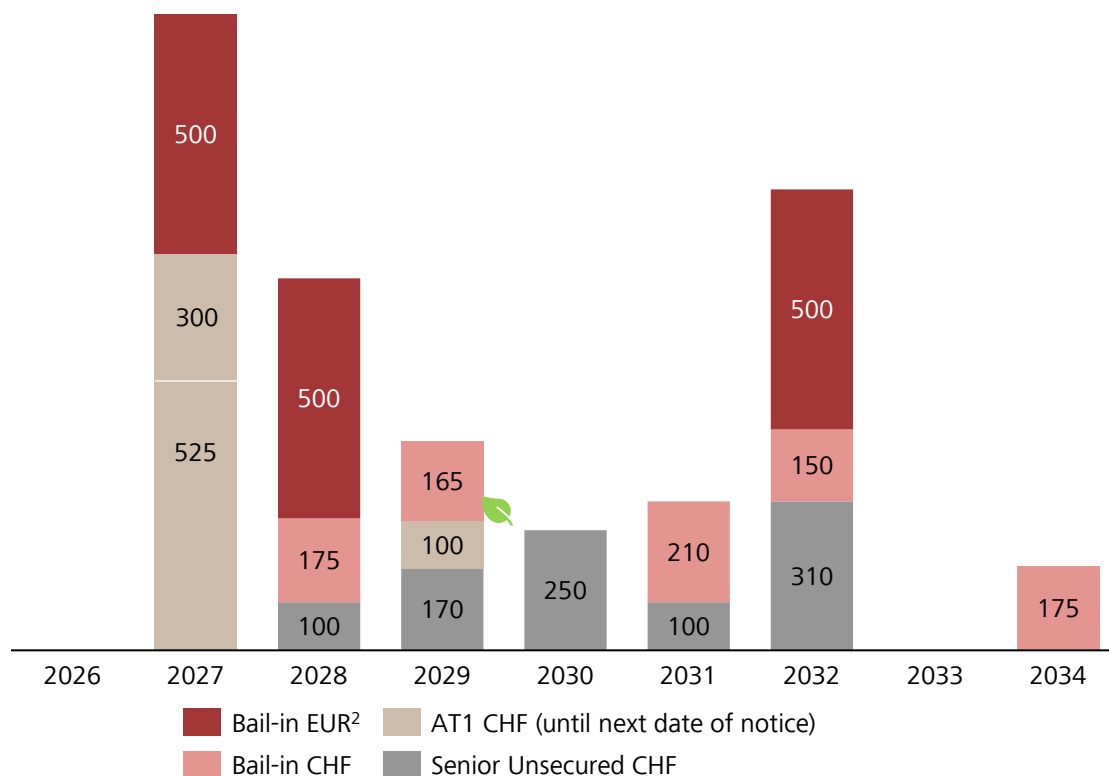
- **108.0% loan-to-deposit ratio** remains at reasonable level
- **Low concentration among top 20 customers** – 45.0% from regional/local governments and 18.0% from pension funds – both considered stable funding
- Swiss Covered Bond issuances and issuances of capital/debt instruments serve as completing element

¹ Subject to withdrawal restrictions

Funding Plan | Strategic debt issuance supported by Bail-in capital

Maturity profile of Raiffeisen capital/debt instruments

CHF m as of 11 March 2026¹




Bail-in EUR²

Pricing date	Amount	Interest	Maturity	Call Date
24 Oct 2022	500m	5.230%	1 Nov 27	Bullet
25 Apr 2023	500m	4.840%	3 Nov 28	Bullet
27 Aug 2024	500m	3.852%	3 Sep 32	3 Sep 31

- Further **build-up of bail-in capital and balance sheet growth** are main driver for capital and funding transactions
- Raiffeisen assesses different funding markets as opportunities arise while striving for predictability and stability for investors
- Raiffeisen considers the **EUR market** as a **key strategic investor base**

¹ Excluding maturities of CHF 125m Bail-in as of 15 January 2026 and CHF 150m Senior Unsecured as of 04 February 2026; CHF 525m non-call as of 24 February 2026 lead to 16 April 2027 as next call-date /

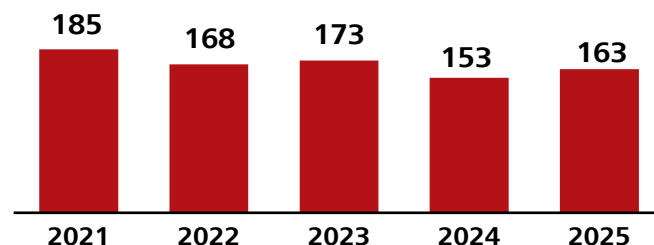
² comparable to Senior Non-Preferred (SNP) as an asset class /  Green Bond

Liquidity | Robust short term and structural liquidity with stable liquidity ratios

Liquidity Coverage Ratio (LCR)

as of 31 December 2025, %¹

163%

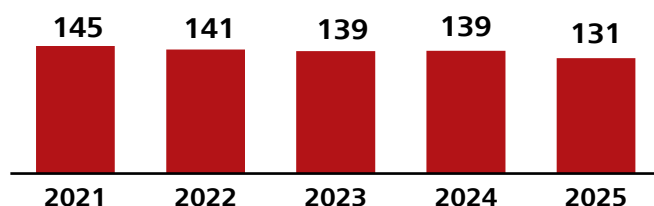


- Raiffeisen's business model supports **very high liquidity ratios**, remaining robust despite market and rate developments in CHF
- **LCR with 163% significantly above minimum requirements**; increase in 2025 mainly driven by higher excess liquidity resulting from deposits
- **NSFR consistently well above minimum requirement**; decrease to 130.9% (-8.4pp) in 2025 due to the implementation of Basel III Final
- Liquidity buffer consists of first-class hold-to-maturity bonds and deposits at the SNB

Net Stable Funding Ratio (NSFR)

as of 31 December 2025, %¹

131%



¹ Minimum requirements for LCR and NSFR: 100%

AGENDA

- 1 Group Overview & Strategy Update
- 2 Financial Update FY 2025
- 3 Capital, Funding & Liquidity
- 4 Asset Quality & Risk Exposure**
- 5 Swiss Regulatory Framework

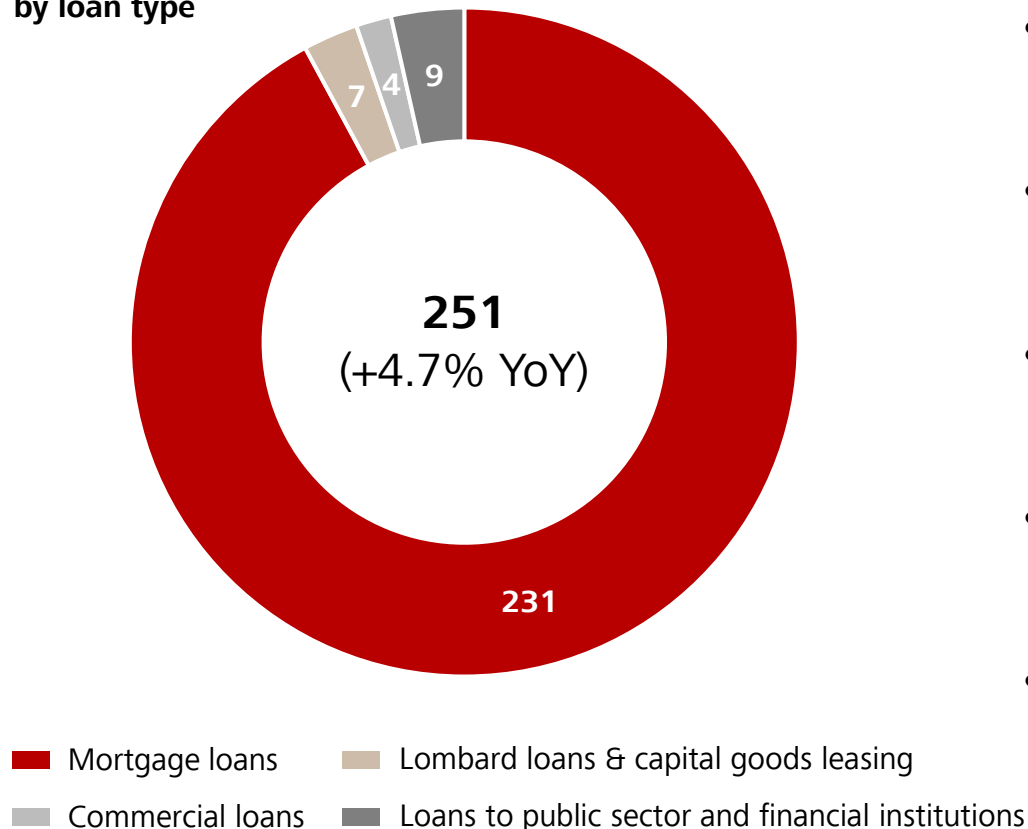
Appendix: Macro Snapshot Switzerland

Loan Book | Robust conservative loan book well diversified across Switzerland with 92% in mortgage loans

Loan book

CHF bn as of 31 December 2025

by loan type



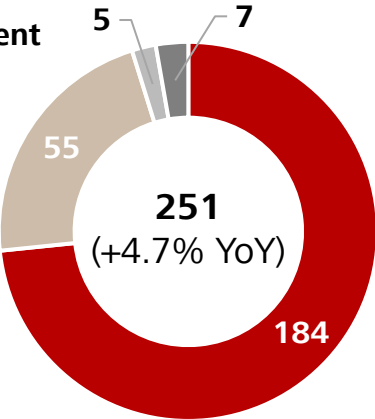
- **Constantly growing loan book** with a **high share of mortgage lending** (92% of loan book)
- **95% collateralized exposures** thanks to **cautious risk policy**
- **100% financed properties located in Switzerland**, geographically well diversified across the country
- **Low share of commercial loans** (2% of loan book), 89% granted to companies domiciled in Switzerland
- Exposure in unsecured corporate loans remains very low despite growth of Raiffeisen's corporate loan book

Loan Book Composition | 73% of total exposure to private clients and 22% to corporates

Loan book

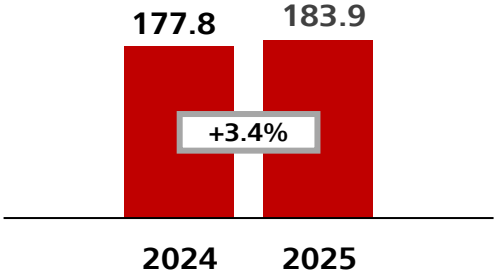
CHF bn as of 31 December 2025

by client segment

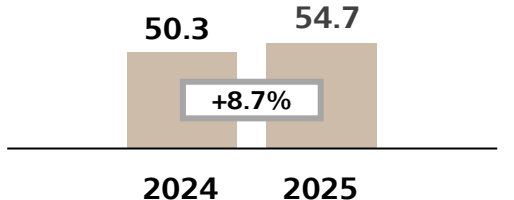


- Private clients
- Corporate clients
- Public institutions
- Financial institutions

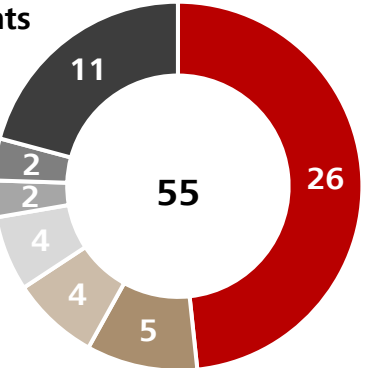
Private clients



Corporate clients

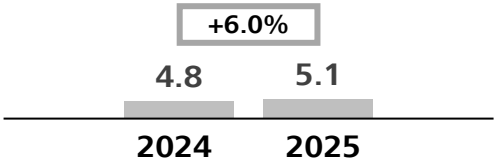


Corporate clients segment by industry

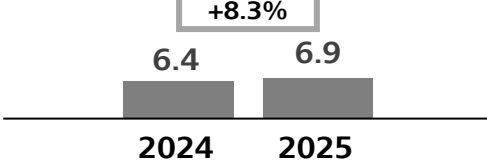


- Real estate
- Agriculture
- Construction
- Financial services
- Healthcare
- Services for companies
- Various¹

Public institutions



Financial institutions

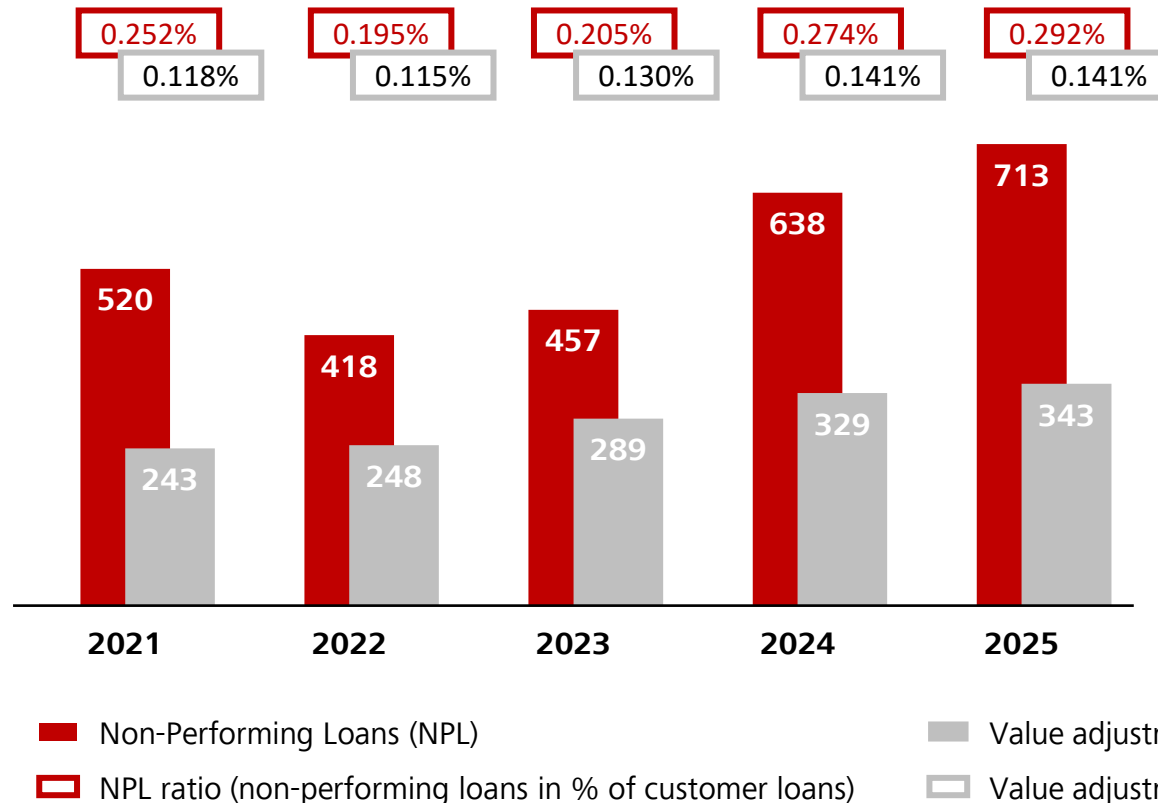


¹ e.g. hospitality, retail trade, food and beverages, automotive, metal, timber industries

Credit Quality | Longstanding strong credit quality with non-performing-loans and value adjustments for default risks at low levels

Impaired Loans, NPL and value adjustments for default risks

CHF m, %



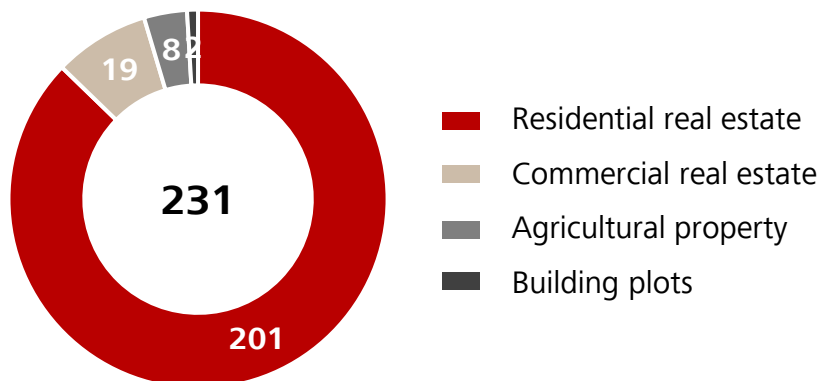
- **Value adjustments for default risks** constantly **at low levels**
- **NPL ratio** increased slightly to **0.292%** while remaining at a very low level
- **Value adjustments for default risks ratio** **stable at 0.141%**

Mortgage Book Breakdown | Large majority of mortgage loans in residential real estate (87%), characterised by low LTVs

Mortgage book

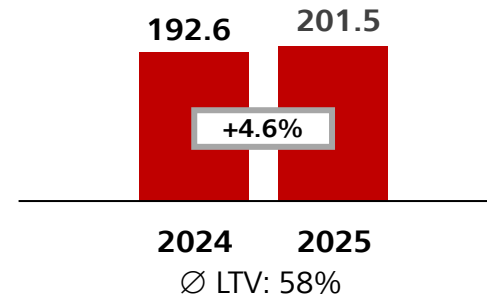
CHF bn as of 31 December 2025

by type of real estate

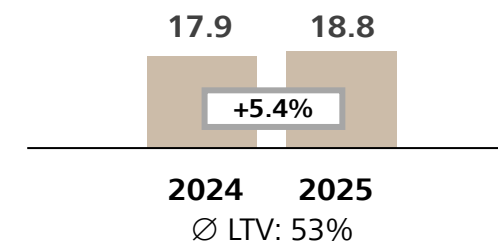


- **Mortgage book growth of CHF 10bn (4.6%)** in 2025 with **87%** of the total volume in **residential real estate**
- **70% of mortgages in fixed interest rate product**, followed by SARON (28%) and variable (2%)

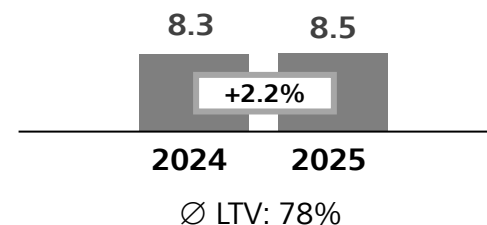
Residential real estate



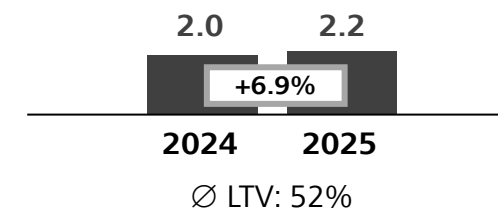
Commercial real estate



Agricultural property



Building plots



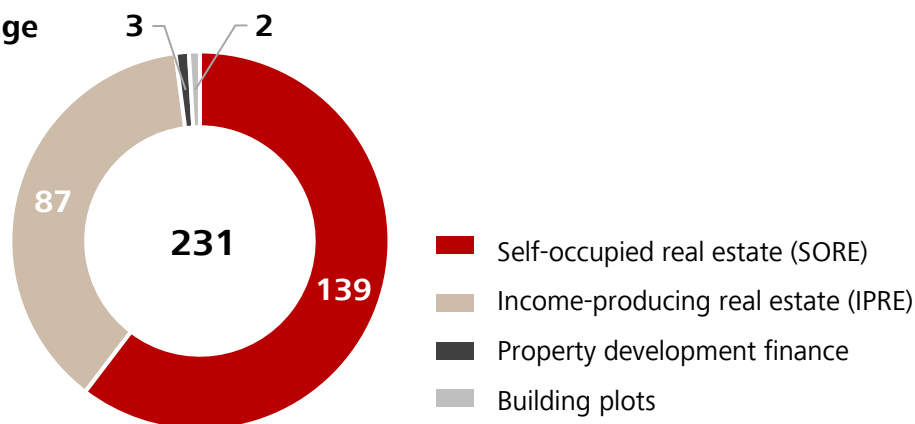
LTV = Loan-to-value

Mortgage Book Breakdown | Income-producing real estate (IPRE) amounts to 38% of the mortgage book

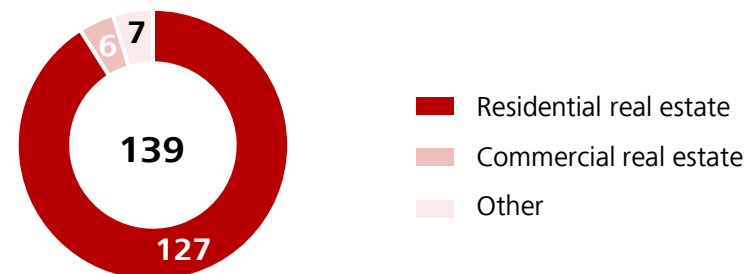
Mortgage book

CHF bn as of 31 December 2025

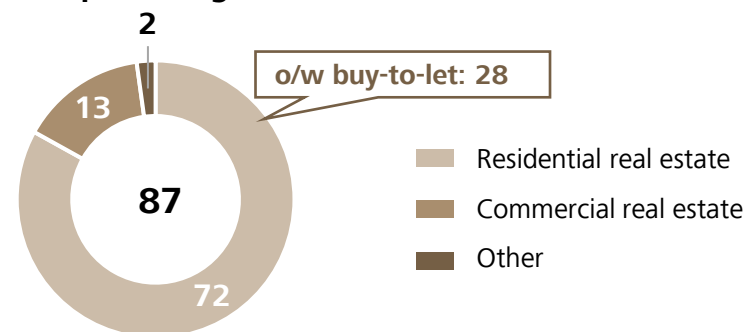
by type of usage



Self-occupied real estate (SORE)



Income-producing real estate (IPRE)



- **60%** of the mortgage book sits in **self-occupied real estate (SORE)** of which more than 90% in residential real estate
- **38% in income-producing real estate (IPRE)** with more than 80% is in residential real estate

Insights on Risk Appetite and Approval Criteria | Prudent underwriting standards and high collateralisation as foundation for stable key risk figures

Easy-to-understand, transparent mortgage structures

- 2Y to 10Y fixed rate contracts or SARON-linked products
- Conservative initial LTVs
- Linear contractual amortisation via tax-preferred pension investments or repayments
- Strict affordability criteria comprising all housing cost (5% interest rate, maintenance, repayments) in accordance with Swiss Bankers Association rules
- No free prepayment option for fixed rate contracts

Regionally diversified, conservative mortgage portfolio

- Moderate LTVs for owner occupied residential real estate
- Low share of commercial real estate lending, office space financing, and buy-to-let mortgages
- Property development finance with marginal share and low concentration
- Average maturity of the mortgage book is 2.4 years (with 35% > 3 years), acting as a powerful hedge for customers against rising rates
- Value adjustments remain on low levels

87%

unchanged vs. FY 24

Residential Real Estate

70%

vs. 75% FY 24

Mortgages With Fixed Interest Rates¹

CHF 446k

vs. CHF 434k FY 24

Average Mortgage Size¹

58%

vs. 59% FY 24

Average LTV¹

¹ Self-occupied residential real estate (SORE)

AGENDA

- 1 Group Overview & Strategy Update
- 2 Financial Update FY 2025
- 3 Capital, Funding & Liquidity
- 4 Asset Quality & Risk Exposure
- 5 Swiss Regulatory Framework**

Appendix: Macro Snapshot Switzerland

SWISS Regulatory Framework | Banking stability keeps authorities, politicians and the financial industry busy over the next years

TBTF Banking Regulation

The **Swiss Federal Council** plans to **adopt around 30 measures¹** to **enhance banking regulation, focusing on crisis prevention and liquidity enhancements.**

Raiffeisen position

- **Differentiation** between **Raiffeisen as a cooperative** and other SIBs essential
- **Proportionality as a key principle** for banking regulations
- **Implementation of a PLB supported**, however **explicit rejection of a flat-rate compensation**

Implementation Approach

	Enactment earliest 2027	Enactment earliest 2028
Capital Adequacy Ordinance (CAO)	PVAs, Capitalized Software, DTAs	
	AT-1 changes	
Liquidity Enhancements	Provision of information	
Foreign participations treatment ²		Equity of Foreign Participations no longer accountable to CET1
Corporate governance & supervision		Senior manager's regime (SMR), FINMA power for early intervention
Supervisory intervention & Liquidity protection		Covered Bond Act ³ , Lender of last resort, Public Liquidity Backstop (PLB)
Recovery & Resolution Planning (RRP)		Expansion of Resolution Options

Focus on key items only (25 items in total) From consultation to enactment

1 First draft on 6 June 2025 and second draft on 26 September 2025 / 2 No longer accountable to CET 1 capital / 3 Allowing Swiss banks diversification of funding sources and liquidity improvements

Thank you

Marita Krebber

Head Investor Relations
+41 44 226 74 27

IR@raiffeisen.ch
raiffeisen.ch/investor-information

The Circle 66
CH-8058 Zurich-Airport

Published financial figures are not audited by the statutory auditor prior to the publication of the annual report.

Commitment to regular fixed income investor communication

11 March 2026

Media Conference Annual Results 2025

12 March 2026

J.P. Morgan Capital Market Conference, Paris

17 March 2026

Individual / Group Investor call upon request

15 April 2026

Publication of Annual Report 2025

26 August 2026

Publication of half-year results 2026

27 August 2026

Individual / Group Investor call upon request

AGENDA

- 1 Group Overview & Strategy Update
- 2 Financial Update FY 2025
- 3 Capital, Funding & Liquidity
- 4 Asset Quality & Risk Exposure
- 5 Swiss Regulatory Framework

Appendix: Macro Snapshot Switzerland

Macro Environment | Switzerland's recent economic performance underpins its safe haven status

		Switzerland	Germany	France	Austria	Netherlands	Denmark	Sweden	Norway	Finland
Macro environment	Political stability Index (World Bank 2023)	1.07	0.59	0.34	0.66	0.76	0.89	0.85	0.71	0.73
	Public debt in % of GDP (2023)	39%	66%	110%	75%	49%	30%	32%	37%	74%
	Inflation $\bar{\text{o}}$ 2019-2024 (% , YoY)	1.1%	3.7%	3.0%	4.2%	4.2%	2.8%	3.5%	3.6%	2.7%
	Unemployment rate (% , 2023)	2.1%	3.3%	7.4%	5.1%	3.7%	5.0%	7.5%	3.6%	7.3%
GDP per capita (PPP-based in 1'000 USD, 2023)		89	66	59	69	73	75	66	82	60
Household	liabilities in % of GDP (2023)	128%	52%	72%	49%	99%	91%	88%	92%	75%
	net financial assets in % of GDP (2023)	251%	135%	168%	131%	193%	264%	226%	41%	65%
Net immigration in % of population ($\bar{\text{o}}$ 2019-2021)		0.8%	0.4%	0.3%	0.5%	0.5%	0.0%	0.5%	0.4%	0.3%
Home ownership	rate total (% , 2022)	42%	47%	63%	51%	71%	60%	64%	79%	70%
	rate w/mortgage (% , 2022)	38%	22%	30%	22%	60%	47%	50%	61%	39%
	Mortgage interest tax deduction	x				x	x	x	x	x
	Imputed rent/notional taxable income	x				x				

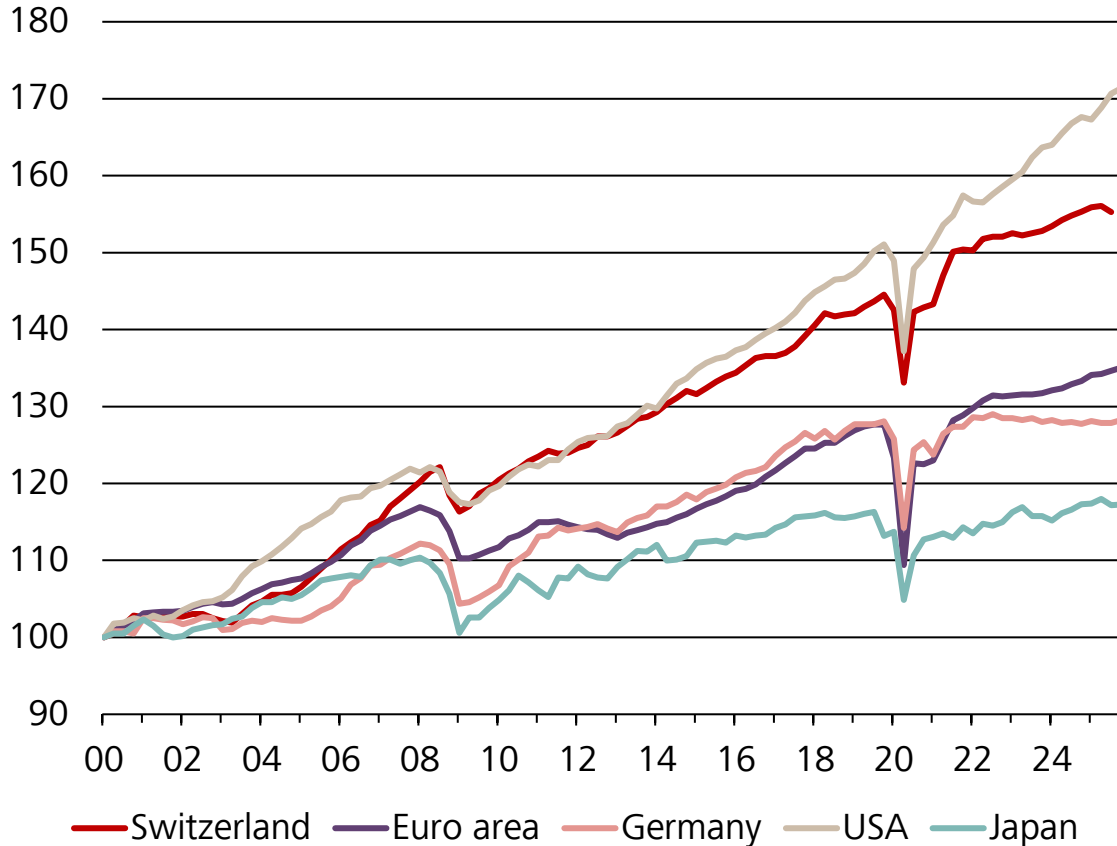
Sources: World Bank, IMF, OECD, Eurostat, EU Commission

Stable and potent economy

- Rock-solid Swiss economy required only limited fiscal and monetary stimulus during recent crises
- Switzerland's public finances remain very resilient without any significant debt increase in the wake of international upheavals
- Energy price shock had limited effect on inflation due to high Swiss prices, strong CHF, and a lower energy intensity of the Swiss industrial sector
- Tax incentives drive high levels of household indebtedness, while household's financial assets allow banks to diversify revenue streams

Macro Environment | Switzerland's growth dynamic outperforms in global comparison

Gross domestic product (indexed, Q1 2000 = 100)

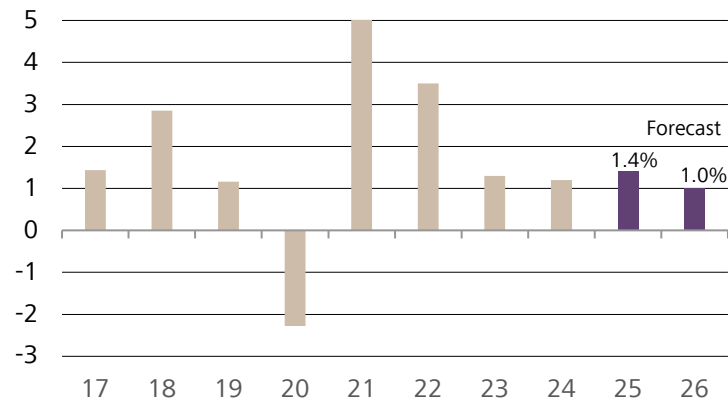


- Compared to other developed countries, **Switzerland's GDP** has shown a **more stable and consistent growth pattern** over time
- The **economy has demonstrated resilience**, weathering crises with less severe setbacks compared to other countries
- The continuous **appreciation of the Swiss franc** has posed challenges for some sectors, but it has also **incentivized innovation** and **efficiency gains**

Economic Environment | Below potential growth

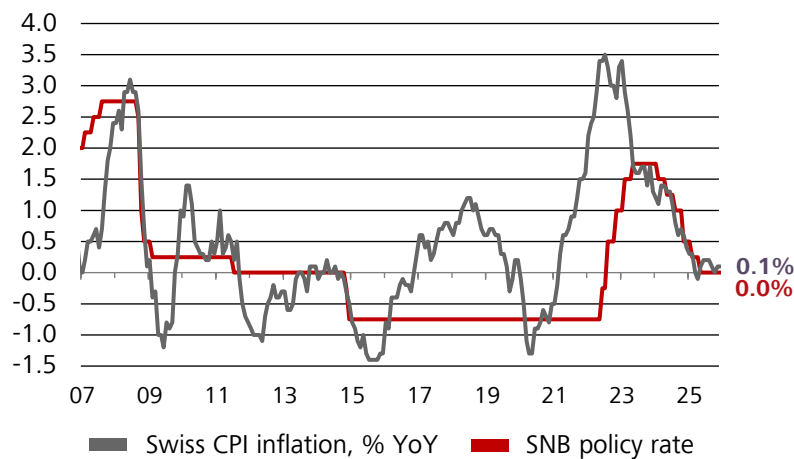
GDP growth

Swiss GDP (adjusted for sport events), real, YoY, in %



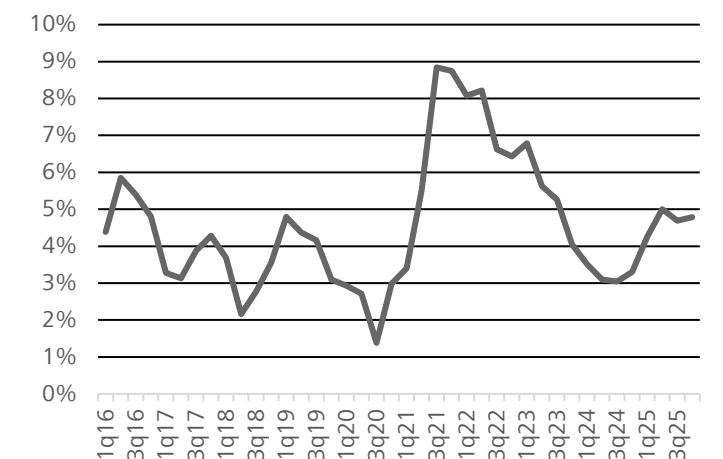
Interest Rates

In %



Real Estate Market

Price owner-occupied housing¹, nominal, YoY, in %



US tariffs and weak external demand dampen growth prospects

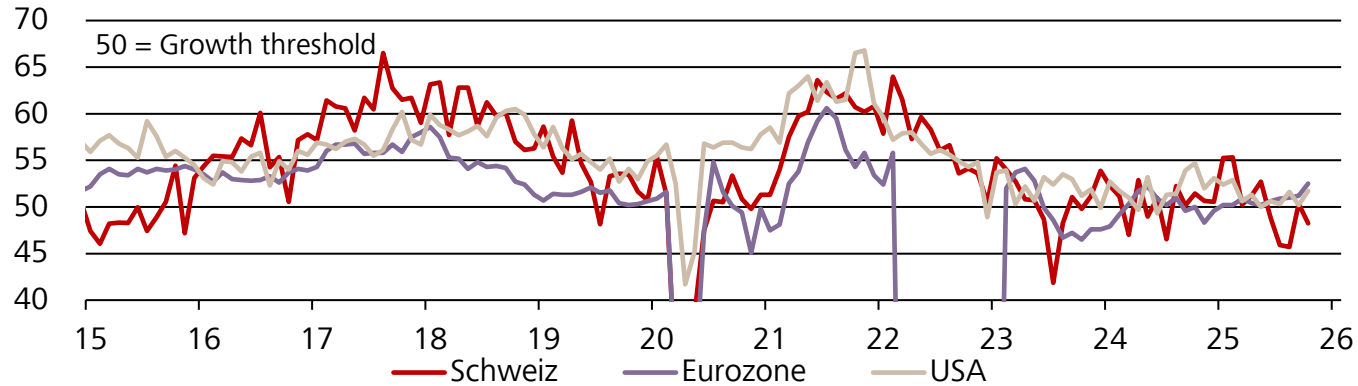
Swiss inflation is low, supported by strong Swiss franc

Low interest rates are keeping demand for owner-occupied housing high

¹ Raiffeisen transaction-price index for owner-occupied housing, average rate of price change of single-family homes and condominiums
Sources: State Secretary for Economic Affairs (SECO), Swiss National Bank (SNB), Federal Statistical Office (BFS), Raiffeisen Economic Research

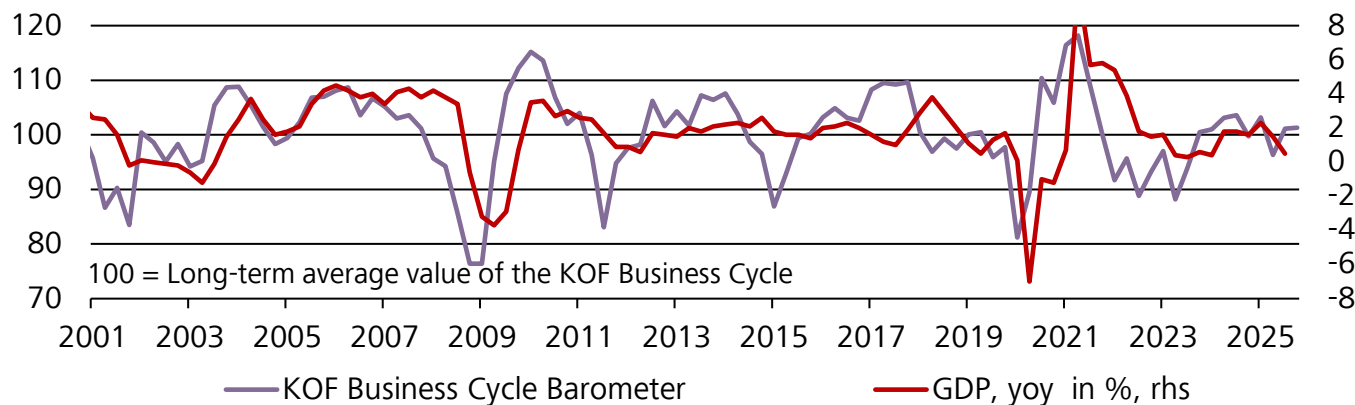
Economic Indicators | Swiss leading indicators in global comparison

Composite Purchase Manager Index (PMI)



- Global growth remains weak. The peak tariff impact on the world economy is still to come
- Swiss economy grows below average for third year in a row. Expected **GDP growth for 2025: 1.4%, 2026: 1.0%**
- Manufacturing remains weak and is hit by US tariffs and indirect effects. However, the service economy should remain stable. Consumption is supported by strong immigration and low inflation
- Inflation pressures are low, and the Swiss National Bank (SNB) policy rate may still be decreased below zero

Swiss GDP and economic barometer



¹ KOF Swiss Economic Institute is publishing a leading composite indicator, the [KOF Economic Barometer](#), predicting how the Swiss economy should perform in the near future.

Real Estate Market in Switzerland | Strong fundamentals

Residential Property

- With low interest rates, cost advantage in self-owned real estate compared to renting remains
- Non-financial motives such as prestige, raising children in their own home and self-fulfilment keep demand for home ownership high
- Price drops remain unlikely due to high demand and severe shortage of housing supply

Rental Apartments

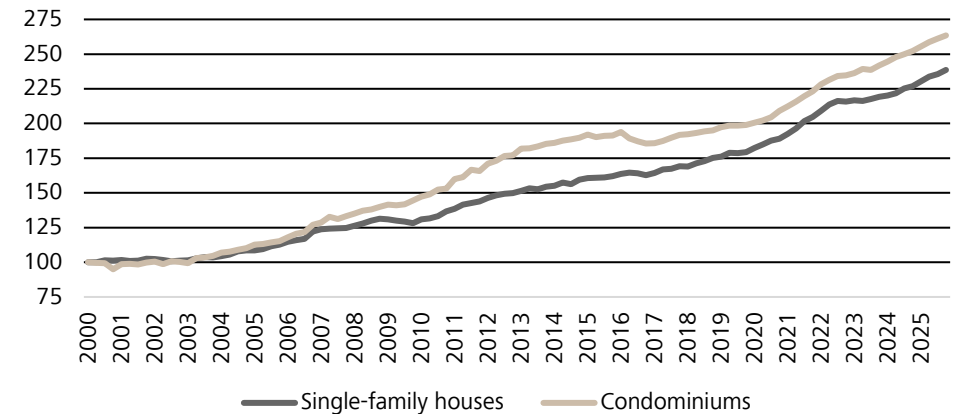
- Migration level remains high, even if immigration has recently been below the high levels of previous years.
- Strict planning laws, shortage of building plots, and high construction costs limit the supply for new apartments
- Demand outstrips supply by far. Rents continue to trend upward, although the recent decline in net immigration is exerting a moderating effect on rental price pressures.

Commercial Real Estate

- 'Back to the office' trend is putting a stop to the downward trend in office rents.
- Adjustment processes in the market for retail surfaces are under way, but take time (long-term leases, implementation of new workplace concepts, etc.)

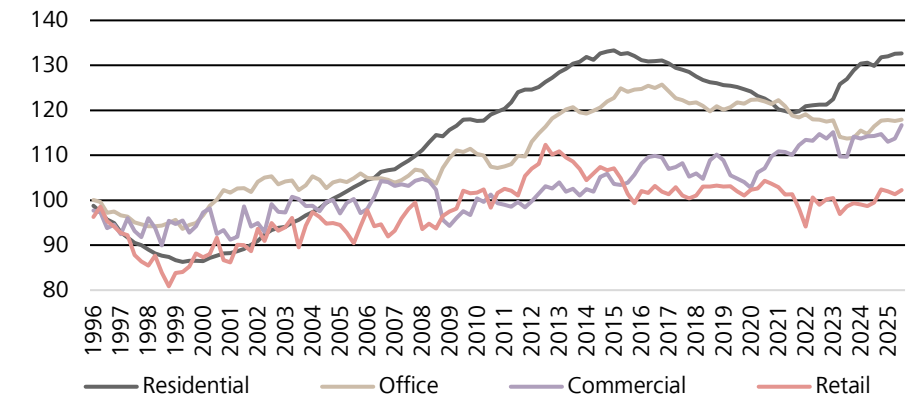
Transaction prices for Swiss residential property

(indexed: 2000=100)



Development of supply rents

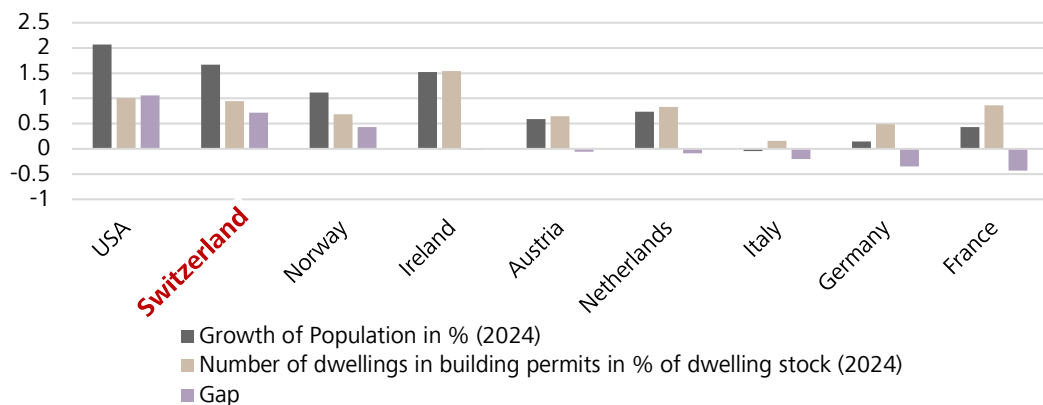
(indexed; 1996=100)



Sources: Wüest Partner, Raiffeisen Economic Research

Swiss Mortgages | Strong fundamentals amid strict equity & affordability requirements

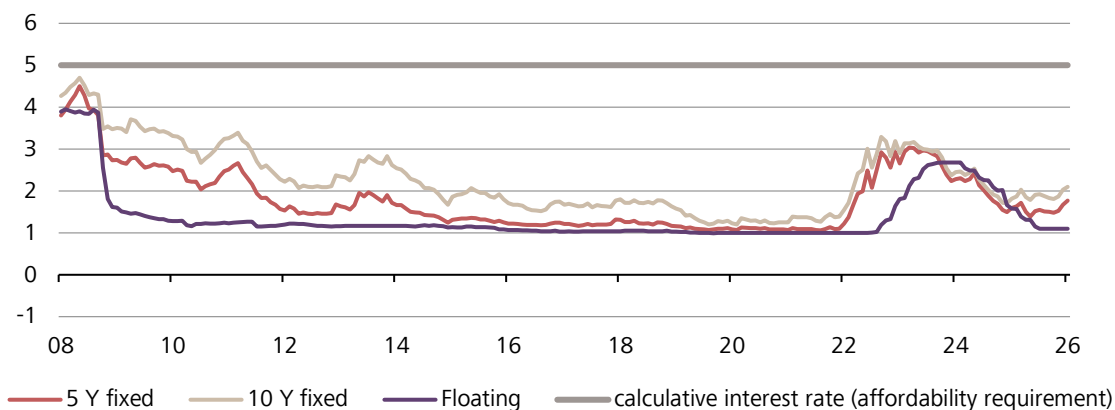
Supply and demand



Strong demand + limited supply = rising prices

- Fast-growing population and demographics drive housing demand
- Strict planning laws, shortage of building plots, and high construction costs limit the supply for new apartments
- Demand exceeds supply by far, leading to a housing shortage, rising real estate prices, and rent increases

Swiss mortgage rates vs (interest rate) affordability



Strict equity and affordability requirements

- Home equity and affordability requirements limit mortgage eligibility. Calculative interest exceeds actual interest rate by far.
- Mortgage debt rolled for tax reasons explains Switzerland's high household indebtedness as well as an amortization obligation only up to 67%. However, only gross debt is high. Net debt is significantly lower.

Sources: Infopro Digital, EMF, FSO, World Bank, Raiffeisen Economic Research